

REMARKS/ARGUMENTS

Claims 1-56 are pending in the present application. No claims were canceled or added; claims 1, 8, 23, 30, 45, 47, and 49 were amended. Reconsideration of the claims is respectfully requested.

Claims 1, 23, and 45 were amended to recite the features of "publishing, over the data processing system, to a plurality of parties, a type of trade that is to be brokered, prior to receiving a bid," and "receiving a bid from a first party of the plurality of parties corresponding to the type of trade." Support for this amendment can be found in the Specification at least on page 11, line 28 – page 12, line 2; page 12, lines 3 -14; page 19, lines 21-24; page 20, line 30 – page 21, line 7; and page 24, lines 8-17.

Claims 8, 30, and 47 were amended to recite the feature of "receiving a counterparty bid from a second party of the plurality of parties in response to the publishing of the criteria for a matching bid." Support for this amendment can be found in the Specification at least on page 12, lines 20 -31; page 19, lines 30 – 31; page 21, lines 12 – 17; and page 25, lines 18-19.

Claim 49 was amended to recite the feature of "defining a set of rules for each type of trade of a plurality of types of trades." Support for this amendment can be found in the Specification at least on page 16, lines 3 – 5.

I. 35 U.S.C. § 102. Anticipation, claims 1-3, 6, 8-11, 17, 23-25, 28, 30-33, 39, 45, 47, and 48

The Office Action rejects claims 1-3, 6, 8-11, 17, 23-25, 28, 30-33, 39, 45, 47, and 48 under 35 U.S.C. § 102 as being anticipated by Silverman et al. (U.S. Patent No. 5,924,082). This rejection is respectfully traversed.

As to claim 1, the Office Action states:

Re Claim 1: Silverman discloses a negotiated matching system;

- Publishing, over the data processing system, a type of trade that is to be brokered (Column 10, lines 59-64)
- Receiving a bid from a first party corresponding to a trade (Column 10, lines 64-Column 11, line 1)
- Publishing, over the data processing system, criteria for a matching bid without compromising the identity of the first party (Column 8, lines 6-8)

Office Action, dated December 14, 2005, page 2.

A prior art reference anticipates the claimed invention under 35 U.S.C. § 102 only if every element of a claimed invention is identically shown in that single reference, arranged as they are in the claims. *In re Bond*, 910 F.2d 831, 832, 15 U.S.P.Q.2d 1566, 1567 (Fed. Cir. 1990). The Silverman reference cited in the Office Action does not anticipate the present invention as recited in claim 1, because Silverman fails to

teach each and every element of claim 1. Amended independent claim 1, which is representative of independent claims 23 and 45 with regard to similarly recited subject matter, states:

1. A method of electronic brokering in a data processing system, comprising:
publishing, over the data processing system, to a plurality of parties, a type of trade that is to be brokered, prior to receiving a bid;
receiving a bid from a first party of the plurality of parties corresponding to the type of trade; and
publishing, over the data processing system, criteria for a matching bid without compromising an identity of the first party.

Claim 1 recites the feature of "publishing, over the data processing system, to a plurality of parties, a type of trade that is to be brokered, prior to receiving a bid." Silverman does not teach or suggest this feature. The Office Action points to column 10, lines 59 through 64, reproduced below for the Examiner's convenience, of Silverman as teaching this feature:

Once a market is selected, each trader views a market screen such as the forward rate agreement (FRA) market shown in FIG. 4. On the screen 400 shown in FIG. 4, a trader may select from six different instruments as listed in column 401 (the third instrument, U.S. dollar three month to six month forward rate agreements, is selected).

The above cited passage of Silverman does not teach the feature of "publishing, over the data processing system, to a plurality of parties, a type of trade that is to be brokered, prior to receiving a bid." Instead, the above cited passage teaches that a user selects a market, which produces a listing of instruments for that market. The user then selects the instrument that the user desires. In fact, Silverman actually teaches away from the presently claimed invention because it teaches a system where a user enters bids and offers into the system from a remote terminal, and then a matching computer uploads and stores the offers. The matching computer then distributes offers and bids to intelligent nodes, where remote terminals access the stored bids and offers. (see Silverman, col. 7, line 14 -col. 8, line 58). In contradistinction, claim 1 of the present invention recites the feature of "publishing, over the data processing system, to a plurality of parties, a type of trade that is to be brokered, prior to receiving a bid." Silverman teaches distributing/publishing the trade that is to be brokered to a plurality of parties after a bid or offer is received, not prior to a bid being received, as recited in claim 1. Therefore, Silverman does not anticipate claim 1, as Silverman fails to teach each and every feature of claim 1.

Therefore, for all the reasons set forth above, Applicants respectfully submit that claims 1, 23, and 45 are not anticipated by Silverman. Since claims 2, 3, 6, 8-11, 17, 24, 25, 28, 30-33, 39, 47, and 48 depend from claims 1, 23, and 45, the same distinctions between Silverman and the claimed invention in claims 1, 23, and 45 exist for these claims. Applicants submit that claims 2, 3, 6, 8-11, 17, 24, 25, 28, 30-33, 39, 47, and 48 are patentable over the Silverman reference at least by virtue of their

dependency on claims 1, 23, and 45. Additionally, claims 2, 3, 6, 8-11, 17, 24, 25, 28, 30-33, 39, 47, and 48 recite other additional combinations of features not suggested by the Silverman reference.

For example, claim 3, which is representative of claim 25 with respect to similarly recited subject matter, recites the feature of "publishing one or more of cryptographic access methods to be used and methods that will be used to determine an appropriate counterparty." Silverman does not teach this feature. The Office Action points to column 10, lines 33-40, reproduced below for the Examiner's convenience, of Silverman as teaching this feature:

Users may change their rankings of other counterparties at any time. If a user enters new ranking information, the system will update its information as well as optionally update the information displayed on all counterparties' displays to dynamically reflect the new ranking. Therefore, the information stored in the matching computer 11 and displayed on the counterparties' display screens is automatically updated as rankings are modified by the users.

The above cited passage of Silverman does not teach the feature of "publishing one or more of cryptographic access methods to be used and methods that will be used to determine an appropriate counterparty." Instead, the above cited passage of Silverman teaches that users can change the ranking upon which counterparties are matched. The above cited passage of Silverman does not teach publishing one or more of cryptographic access methods to be used. Therefore, Silverman does not anticipate claims 3 and 25, as Silverman fails to teach all the features of claims 3 and 25.

Claim 6, which is representative of claims 28 and 48 with respect to similarly recited subject matter, recites the feature of "providing the criteria for a matching bid to the first party prior to publishing the criteria for the matching bid." Silverman does not teach this feature. The Office Action points to column 7, lines 14-30, of Silverman as teaching this feature. However, the cited passage of Silverman teaches that a user enters bid or offer information at a remote terminal, and that information is stored in a matching computer. However, in column 7, lines 37 through 42, Silverman explains that after bids are uploaded and stored by the matching computer, the computer searches for matching bids and offers, and then the computer notifies the potential counterparties and the original user of the matches. In column 8, lines 6 through 8, Silverman states that if no matching bid/offer is found, the bids are distributed to users throughout the system. In alternate embodiments described in column 8, lines 11 through 16, Silverman teaches that the bid/offer information is distributed to users throughout the system either before the computer searches for matches already stored in the system or simultaneous to the matching computer's performing its search. However, none of these embodiments taught by Silverman teaches providing the criteria for a matching bid or offer to the party that created the bid or offer, after the creating user entered

the bid or offer but prior to publishing the criteria. Therefore, Silverman does not anticipate claims 6, 28, and 48 because Silverman does not teach all the features of claims 6, 28, and 48.

Therefore, the rejection of claims 1-3, 6, 8-11, 17, 23-25, 28, 30-33, 39, 45, 47, and 48 under 35 U.S.C. § 102 has been overcome.

II. 35 U.S.C. § 103, Obviousness, claims 4-5, 7, 12-16, 18-22, 26-27, 29, 34-38, 40-44, 46, and 49-56

The Office Action rejects claims 4-5, 7, 12-16, 18-22, 26-27, 29, 34-38, 40-44, 46, and 49-56 under 35 U.S.C. § 103 as being unpatentable over Silverman (U.S. Patent No. 5,924,082). This rejection is respectfully traversed.

With regard to claims 4-5, 7, 12-16, 18-22, 26-27, 29, 34-38, 40-44, and 46, the Silverman reference does not teach or suggest all the claims 4-5, 7, 12-16, 18-22, 26-27, 29, 34-38, 40-44, and 46, as argued in response to the rejection of claim 1 above.

Furthermore, the Office Action's factual assertions concerning the alleged obviousness of claims 4-5, 7, 12-16, 18-22, 26-27, 29, 34-38, 40-44, and 46 do not cure the deficiencies of Silverman. The Office Action's statements do not teach the features missing from claim 1, including the feature of "publishing, over the data processing system, to a plurality of parties, a type of trade that is to be brokered, prior to receiving a bid."

Thus, claims 4-5, 7, 12-16, 18-22, 26-27, 29, 34-38, 40-44, and 46 are patentable over the cited reference because the combination of the Silverman reference with the Office Action's factual assertions would not reach the presently claimed invention. The features being relied upon as taught in the Silverman reference are not taught or suggested by that reference, as explained above. The Office Action's factual assertions do not cure the deficiencies of Silverman. As a result, a combination of the Silverman reference with the Office Action's factual assertions would not reach the claimed invention as recited in claims 4-5, 7, 12-16, 18-22, 26-27, 29, 34-38, 40-44, and 46.

In view of the above, Applicants submit that dependent claims 4-5, 7, 12-16, 18-22, 26-27, 29, 34-38, 40-44, and 46 are not taught or suggested by the combination of the Silverman reference with the Office Action's factual assertions. Claims 4-5, 7, 12-16, 18-22, 26-27, 29, 34-38, 40-44, and 46 are dependent claims depending on independent claims 1, 23, and 45. As Applicants have already demonstrated claims 1, 23, and 45 to be in condition for allowance, Applicants respectfully submit that claims 4-5, 7, 12-16, 18-22, 26-27, 29, 34-38, 40-44, and 46 are also allowable, at least by virtue of their dependency on allowable claims. Additionally, claims 4-5, 7, 12-16, 18-22, 26-27, 29, 34-38, 40-44, and

46 recite other additional combinations of features not suggested by the combination of the Silverman reference with the Office Action's factual assertions.

For example, claim 13, which is representative of claim 25 with respect to similarly recited subject matter, recites the feature of "providing the first party with an opportunity to offer collateral if a result of comparing the credit information to the credit requirements is that the credit information is insufficient." The Office Action admits that Silverman does not teach this feature but states that the policy, or step, of providing collateral to make up for insufficient credit is well known in the art, has been used for years, and would have been obvious to anyone skilled in the ordinary art, so that a party to a transaction has a claim to something should the other party default. (Office Action, dated December 14, 2005, page 7). Applicants respectfully disagree with the Office Action's factual assertion and challenge the factual assertion as not properly Officially Noticed or not properly based upon common knowledge.

The mere fact that the prior art could be readily modified to arrive at the claimed invention does not render the claimed invention obvious; the prior art must suggest the desirability of such a modification. *In re Ochiai*, 71 F.3d 1565, 1570, 37 U.S.P.Q.2d 1127, 1131 (Fed. Cir. 1996); *In re Gordon*, 733 F.2d 900, 903, 221 U.S.P.Q. 1125, 1127 (Fed. Cir. 1984). Merely stating that the modification would have been obvious to one of ordinary skill in the art without identifying an incentive or motivation within the prior art for making the proposed modification is insufficient to establish a *prima facie* case.

The present invention in claim 13 includes the feature of "providing the first party with an opportunity to offer collateral if a result of comparing the credit information to the credit requirements is that the credit information is insufficient." In contrast, Silverman specifically teaches away from this feature:

A benefit of the negotiated matching system according to the present invention is that the complex and confidential credit evaluation and risk management procedures of various financial institutions are taken off line completely and left up to each individual party. This greatly simplifies the system needed to accommodate numerous financial institutions, does not require standardization of institution financial practices, and allows the institutions to keep their credit practices confidential.

(Silverman, col. 5, lines 8-15)

The above cited passage of Silverman specifically teaches that there are advantages and benefits to having the complex issues of credit rating and risk handled by third parties who are experts in the area. As such, it seems that it would not be obvious that, as the Office Action asserts, any brokering program would automatically include a way for a party to directly submit collateral if its rating were deemed insufficient, as there is a definite benefit to having third parties handle the evaluation of credit ratings and risks, rather than having the parties negotiate directly with each other and try to decide what is fair compensation. "It

is impermissible within the framework of section 103 to pick and choose from any one reference only so much of it as will support a given position, to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art." *In re Hedges*, 228 U.S.P.Q. 685, 687 (Fed. Cir. 1986). Thus, when Silverman is examined as a whole, Silverman teaches one of ordinary skill in the art that it is not desirable for the brokering program itself to provide the first party with an opportunity to offer collateral if a result of comparing the credit information to the credit requirements is that the credit information is insufficient. Therefore, one of ordinary skill in the art would not be motivated to make the Office Action's proposed modifications to reach the presently claimed invention when Silverman is considered as a whole. Thus, claims 13 and 35 are not obvious in light of Silverman combined with the Office Action's factual assertion.

Additionally, claim 19, which is representative of claim 25 with respect to similarly recited subject matter, recites the feature of "determining a mean bid from the bid from the first party and the counterparty and presenting the mean bid to the first party and the second party, if the counterparty bid does not match the bid from the first party." The Office Action admits that Silverman does not teach this feature, but instead asserts that since Silverman teaches providing "best quotes" to users of the system, the users would easily be able to compute a mean bid. (Office Action, dated December 14, 2005, page 8). Additionally, the Office Action asserts that since a system is in place to allow not precisely matching bids/offers to communicate with each other, it is obvious to disclose a mean bid to these negotiating parties. (Office Action, dated December 14, 2005, pages 8-9). Applicants respectfully disagree. The Office Action points to Silverman, column 11, lines 6-31, as teaching calculating mean bids. However, this passage of Silverman merely teaches that users may obtain two different best quotes, a "market quote" and a "best quote." The market quote is the best bid/offer price in the entire market, and the best quote is the best offer/bid in the market based on the user's specific filter criteria. Nowhere does this passage or any other passage of Silverman teach providing the user with the mean bid or providing the user with sufficient statistical information to determine the mean bid. A mean bid is the average bid of all the bids in question.

Furthermore, nowhere in this passage or in any other passage of Silverman is it taught or suggested to provide a mean bid to the parties involved in the negotiations. Column 12, lines 18-58, teaches various embodiments wherein the matched parties continue to negotiate the bid/offer price after the match has been determined. In all of these embodiments, except for the one where the terms are set once a match is determined, the parties are free to change and negotiate the bid/offer price, adjusting it as they wish. No reference is made to providing the parties with any additional information, such as a mean bid or any other statistical information. The parties are simply left to negotiate on their own. Thus, when Silverman is examined as a whole, Silverman does not teach one of ordinary skill in the art to provide a

mean bid, or other statistical information, to the negotiating parties. Rather, Silverman teaches that the parties to an agreement are free to negotiate prices on their own. Therefore, one of ordinary skill in the art would not be motivated to make the Office Action's proposed modifications to reach the presently claimed invention when Silverman is considered as a whole. Thus, claims 19 and 41 are not obvious in light of Silverman combined with the Office Action's factual assertion.

Regarding claim 49, the Office Action states:

Re Claim 49: Silverman discloses a method for initializing a negotiated matching system comprising:

- Defining a set of rules for trade types (Column 7, lines 14-Column 8, line 59)

Silverman does not explicitly disclose the steps comprising

- Defining a set of programs for implementing the set of rules; and
- Defining a set of signatures for programs that may provide instructions to the electronic broker

However, in order for the system of Silverman does disclose that the functions of the matching computer may be performed using a configuration of hardware components, software components or both (Column 7, lines 4-7), which would include a set of programs for implementing the rules and, potentially, a set of signatures for programs that would provide instructions. In other words, the system of Silverman is capable of being adapted to a wide variety of hardware and software component and implementations and it would have been obvious to use any such system that was well known in the art at the time of invention.

Office Action, dated December 14, 2005, page 10.

Silverman does not teach the feature of "defining a set of rules for each type of trade out of a plurality of types of trades." The Office action points to Silverman, column 7, line 14 though column 8, line 59 as teaching this feature. However, the cited portion of Silverman teaches an overview of how bids/offers are entered in the system of Silverman and how matching bids/offers are located. Nowhere does this passage teach defining a set of rules for each type of trade, as recited in claim 49.

Furthermore, the Office Action states that defining of signatures for programs that provide instructions to the electronic broker is obvious in light of technology of data processing systems of the time. However, as Silverman never discusses programs that can provide instructions to the electronic broker, such as creating new trade types, for example, when Silverman is considered as a whole, Silverman would not motivate one skilled in the art to make the changes suggested by the Office Action.

Therefore, for all the reasons set forth above, Applicants submit that the combination of the Silverman reference with the Office Action's factual assertions do not reach the presently claimed invention, as recited in claim 49. Thus, claim 49 is patentable over the combination of the Silverman

reference with the Office Action's factual assertions. As claims 50-56 depend from claim 49, the same distinctions between the combination of Silverman with the Office Action's factual assertions and the claimed invention in claim 49 apply with respect to those claims. Therefore, Applicants submit that claims 50-56 are patentable over the combination of the Silverman reference with the Office Action's factual assertions at least by virtue of their dependency on claim 49. Additionally, claims 50-56 recite other additional combinations of features not suggested by the combination of the Silverman reference with the Office Action's factual assertions.

For example, claim 53 recites the feature of "wherein the electronic broker only accepts trades of a type that may be brokered in conjunction with already active trades." The Office Action admits that Silverman does not explicitly teach this feature but asserts that since the data processing system of Silverman is configurable, that adding this feature to the electronic broker is obvious. Applicants respectfully disagree. Just because the data processing system on which the invention taught by Silverman is implemented is readily configurable, does not mean that that the broker taught by Silverman is readily configurable. Silverman teaches a broker system wherein multiple types of trades and transaction are being pursued simultaneously. (see Silverman, col. 7, line 14 - col. 8, line 59). Modifying Silverman to only accept trades that might be brokered in conjunction with an already active trade would frustrate the purpose of Silverman. According to this, only one type of trade could be active at a time, and no new bids could be entered and stored by the matching computer until an appropriate type of trade became active. A *prima facie* case of obviousness cannot be properly based upon a prior art reference if the prior art reference requires some modification in order to meet the claimed invention, and such a modification destroys the intended purpose or function of the disclosed invention in the reference. Furthermore, when considered as a whole, Silverman would not teach one of ordinary skill in the art to make the changes suggested by the Office Action. Therefore, claim 56 is not obvious in light of Silverman combined with the Office Action's factual assertion.

Therefore, the rejection of claims 4-5, 7, 12-16, 18-22, 26-27, 29, 34-38, 40-44, 46, and 49-56 under 35 U.S.C. § 103 has been overcome.

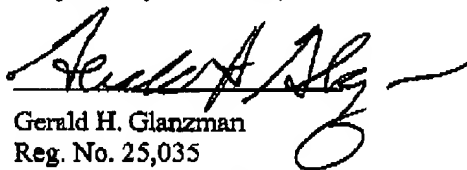
III. Conclusion

It is respectfully urged that the subject application is patentable over the prior art of record and is now in condition for allowance.

The Examiner is invited to call the undersigned at the below-listed telephone number if in the opinion of the Examiner such a telephone conference would expedite or aid the prosecution and examination of this application.

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Respectfully submitted,



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